

Fifth Street Towers is committed to fully integrating ESG initiatives into the overall property management strategy. We strive to provide an environmentally responsible building, understanding the impact on our tenants, the surrounding community and the environment.

## PROPERTY CERTIFICATIONS



## ENVIRONMENTAL

- Perform annual property energy, water, and waste audits.
- Run an annual Zeller Energy Challenge to optimize and modernize building systems.
- Evaluate and implement energy and water property enhancement projects and capital improvements, and continue to assess new technologies to achieve sustainability goals.
  - Replaced 4 boiler burners. During this project, burners without variable power levels were replaced with burners that run at different levels which allows greater control of the boilers and reduces gas usage.
  - Replaced heat exchanger plates on a large unit to improve the overall efficiency of the unit by approximately 30%, resulting in an energy savings of approximately \$15,000.
  - Replaced 344 compact fluorescent lamps (CFL's) with 344 LED lamps in existing fixtures in common areas. A 5-kW reduction was realized with an annual cost savings of \$2,700. In the same year, 99 heat pumps were modernized through replacement of the units.
- Annual audits and inspections of building systems to ensure efficiency and proper performance.
- Sustainable office supplies & equipment usage, including moving to cloud data storage and reduction of printers.
- Recycling provided for all tenants:
  - Each year, Fifth Street Towers (FST) hosts an electronic recycling event during Earth Week, this past year over 18 gaylord containers were filled by tenants with e-waste. Electronic recycling services are provided throughout the year.
  - The most recent property waste audit occurred in 2018 and saw a diversion rate of over 30%. There was an 8.12% waste stream opportunity rate for improvement which the building has attempted to capitalize on.
- Focus on integrating perennial plantings and reducing impermeable paving at properties.



- Any landscaping renovation, demolition or construction must have as part of its plan to minimize the amount of disturbed soil, prevent runoff from offsite areas, slow down runoff flowing across the site, and remove sedimentation from onsite runoff.
- The landscape management portion of the plan addresses minimizing landscape waste. Debris from landscaping should either be recycled or composted. Beyond managing the waste after it occurs, FST seeks to decrease the amount of waste that develops. Starting with low-maintenance, disease resistant plants, reducing the amount of pruning and cutting done and fertilizing plants in the Fall, which reduces the number of clippings, are smart ways to reduce landscape waste.
- Chemical fertilizers are kept to a minimum to avoid polluting local ponds and streams. Organic fertilizers are used, but applied sparingly, and only if the measurement of soil nutrient contents indicates a need.
- The building offers a state-of-the-art bike hub with repair station and locker facilities located on the street level.
- FST follows a Green Cleaning Policy and Program that values cleanliness, sustainability, and safety. The program outlines using sustainable, low-toxic janitorial, cleaning, hard floor and carpet products and sustainable equipment, such as low-decibel cleaning equipment. Janitorial service partners are required to use cleaning chemicals that meet or exceed the LEED IEQc.3.3 requirements for green cleaning.



## SOCIAL

- Address the information needs of our key stakeholders and tenants, and communicate with them on information including environmental, social, governance and resilience issues.
- Encourage our tenants to participate in our Tenant Engagement Program, that often focuses on ESG issues, while providing them educational materials and hosting events, such as; Compost Your Lunch – learn about composting and organic recycling, Community Supported Agriculture where fresh and local produce were delivered weekly (18 weeks) to Fifth Street Towers, National Bike to Work Day, Monthly Fitness Challenges and Group Exercise Classes, Wellness Fair, Summer Ice Cream Social, Holiday Breakfast, Second Harvest Heartland Food & Fund Drive, Gifts for Seniors Holiday Drive, School Supplies Drive.
- Encouraging volunteerism by highlighting local organizations such as: Second Harvest Heartland, Minneapolis Department of Parks and Recreation, Memorial Blood Centers, etc.
- Promote tenant wellbeing by providing mental health resources, such as wellness rooms equipped with meditation and mindfulness on-demand programming.
- Human rights and Non-discrimination policies.
- Integration of biophilia, maximization of natural light, water quality management plan, and cleaning protocols in our building-controlled areas to promote wellbeing for our tenants and employees.

- FST has a tenant exclusive rooftop deck, golf simulator, expansive lounge area, wellness rooms, and fitness center on the 3rd floor of the 150 Tower.
- Atrium skylight over Sphere and two-story glass throughout the main lobbies which brings in abundant natural light.



## GOVERNANCE

- Seek to use governance structures that provide appropriate levels of oversight in the areas of audit, risk management, and potential conflicts of interest.
- Provide frequent and transparent disclosure to tenants, including ESG objectives, strategies, performance, and building level updates.
- Monitor and manage compliance with local jurisdiction benchmarking requirements and any additional policy or regulatory changes.
- Identify physical and transition risks at the property that may be caused by climate change and evaluate mitigation strategies to reduce risk
  - 2019- Loss Control Survey performed by Consulting Firm
- Regularly updated Emergency Response and Business Continuity Plan.
- Leveraging innovative Project Management and Accounting software to track vendor and tenant finances more accurately.
- Regular assessment and audit of technology and digital security, including transitioning to cloud data storage, to ensure data resiliency.
- Development of Zeller Tenant and Employee Reengagement Plan in response to COVID, which was communicated digitally and updated as public health guidelines and governing ordinances changed.
- Frequent communications to Tenants and building occupants regarding health and safety events.
- Participation and leadership in industry organizations such as BOMA Greater Minneapolis and IREM MN, to ensure implementation of best practices and contributing to the Real Estate industry.
  - MREJ Property Manager of the Year (Kevin Connolly) - 2019
  - MREJ SuperStar Award (Lauren Dahlke) - 2021
  - FST team members are actively involved on various committees of BOMA Greater Minneapolis, IREM, and NIAOP